

advice. My advice is: Fill the potholes. [Laughter] Thanks for coming, Mayor.

[At this point, Mayor Jerry Wehrle of Lancaster made brief remarks and presented the President with a key to the city.]

The President. Thank you, Mr. Mayor. Thanks for coming.

Again, thank you all for coming out to say hello. We're kind of heading down the

road, but before I leave I do want to say I ask for God's blessings on you, and may God continue to bless our country.

Thank you. God bless.

NOTE: The President spoke at 12:28 p.m. at the Grant County Courthouse Square. A tape was not available for verification of the content of these remarks.

Remarks and a Question-and-Answer Session in Prairie du Chien, Wisconsin

May 7, 2004

The President. Thank you all. Thanks for coming. I better take off my jacket. Listen, thank you all for coming. They told me we were coming—please sit down. It may take a while. [Laughter] They told me I was coming to Cabela's, and I said, "All right, fine. I'm looking for some power worms." [Laughter] I like to be in hunting and fishing country.

I thought what I'd do is share some thoughts with you, I'd talk to some of the citizens of this part of the world about what life has been like as a small-business owner or a family trying to raise their children and then, if we've got time, answer some questions. And then we've got to get on the bus and head up the road.

First, I want you to know I'm asking for your vote. I'm here to—it may seem like a little early to start. It may seem like the election is pretty far away. But if you really want to win, like I want to win, you can't start too soon. And I want you to know that my purpose after this is to let you know I have a reason for running. I know where I want to lead the country. And we've got a job to do together to make this country safer and stronger and better. We've got a mission together.

Probably the best reason to put me back in there is so that Laura has got 4 more

years as the First Lady. We were both raised in Midland, Texas, which is a relatively small west Texas town. And when I met her later on in life—we actually went to San Jacinto Junior High together in the seventh grade—and then when I saw her afterward, after we'd both gone to college and did some things, she wasn't particularly fond of politics or politicians. [Laughter] Fortunately, she said yes when I asked her to marry me, and now she is a fabulous First Lady of our country.

She has come to realize what I know, that in this office that we both occupy, President and First Lady, that we can make an enormous difference in people's lives, that we can help people help themselves. It's such an honor to be the President of such a great country. It really is, and I'm so proud that Laura is standing by my side with such calm and dignity and love.

I really appreciate the Cabelas for being here. You'll hear me talk about the entrepreneurial spirit, and, Ms. Cabela, you are a true entrepreneur. You had a dream. You counted on good people to help you realize that dream, and you built one of the great companies in America. And we're proud to be here at the Cabela site in this part of Wisconsin.

And I know this: I know that if Mr. Cabela were standing up here, he'd say, "Yes, I had a good idea, but it's the people that worked with me that have made this company grow." I want to thank the folks who work here at Cabela's for your hospitality. Thanks for letting us disrupt your day. [Laughter] Thanks for making sure the fishermen and hunters of the country have got—well-equipped.

I'm here to ask for your help as well. I hope I give you some reasons to go out and turn to your fellow citizen and ask them to make sure they vote. I think you ought to talk to everybody from all political parties, people who don't even like politics. You need to tell them to show up and do their duty in democracy. I'd start, if I were you, by telling them that a President has got to put together a good team of people to serve the country, which is what I've done. I've surrounded myself with excellence, people from all walks of life, people from different backgrounds, people who have come to Washington, DC, to serve their country and not their self-interest.

I'm running with a fabulous guy in Dick Cheney. He is a great Vice President of the country. I, one time, said in front of my mother, I said, "Dick Cheney is the finest Vice President our country has ever had." [Laughter] She said, "Wait a minute, buster."

I want to thank Steve Freese for coming. Mr. Speaker, thank you. I'm proud you're here. I want to thank all the other—thanks for coming over. I want to thank Gabe Loeffelholz for coming as well. I'm honored you're here. I appreciate the local officials who have come out. We had the mayor of Lancaster show up. We did an impromptu stop. There were people in the town square there, so we stopped the bus just to say hi. The mayor was there. I said, "Mayor, I've got some advice for you: Fill the potholes." [Laughter] I don't know if he appreciated the advice or not.

I'm here to talk about ways to make this country safer and stronger and better. My

biggest duty and most solemn duty is to protect America and—from another attack. And you've just got to know there's an enemy out there that still hates us. September the 11th changed the country. It changed how we've got to look at our future. September the 11th made us realize that oceans would not protect us from people who would want to do our citizens harm.

There are some other lessons that we must learn in order to protect the country: One, that we face a killer that has no conscience. The people of this country have a conscience. The people we face don't. Secondly, these are not religious people, in my judgment. These are people who have hijacked a great religion. This is a battle between good and evil. These are people that are so evil that they will kill innocent life, trying to shake the will of the United States of America, trying to get us to retreat from our duties in the world.

There was another lesson on September the 11th, and that is, when the American President says something, he better mean it. I told the American people this is a different kind of war than we were used to. I have an obligation to remind the American people, no matter how painful it may be to some, that we're still at war. That's my duty, to remind people that we're—there's still danger. And remember, the enemy only has to be right one time, and we've got to be right 100 percent of the time to protect the country.

You need to know there's a lot of really good folks that are working really hard to protect the homeland. We've got wonderful people in law enforcement at all levels of government, the local level, the State level, the Federal level, that are talking like they have never talked before, sharing intelligence like they have never shared intelligence before, nor were allowed to share intelligence, by the way, prior to September the 11th, in some cases.

I don't know if you know this. There's a lot of talk about what they call the PATRIOT Act, but the PATRIOT Act was passed to allow the criminal division of the FBI to be able to talk and share intelligence with the intelligence division of the FBI. Prior to September the 11th, they couldn't even talk together. How could you possibly defeat an enemy that is able to slide in our country if you can't share intelligence among law enforcement?

At any rate, there are good people working hard. We've got people that are doing a better job of guarding our borders and our ports. You know, they're making you take off your shoes at the airports. [*Laughter*] I know it's a pain, but it's necessary to do everything we can to protect the homeland. But the best way to protect the homeland is to stay on the offense and bring these killers to justice before they hurt us again. [*Applause*] Thank you.

I told the American people that we would go on the offense and we would stay on the offense, that we would do so with firm determination and resolve. And that's what I want to do. If I'm fortunate enough to become your President for 4 more years, I will continue to lead this great Nation in utilizing every asset we have, not just a few or some but every single asset we have to protect the American people. That's our most solemn duty.

I also said right after September the 11th that if you harbor a terrorist, you're just as guilty as a terrorist. I want to tell you something which is true about this job: When you speak you better mean what you say. The President has got to speak clearly so there's no ambiguity about what his words mean, and then when he says something, he's got to act on it. In order to keep the world—make the world more peaceful, the President must be sincere about when he says something. And so when I said that I was—I meant it, and we told that to the Taliban.

The Taliban were these awful characters that were running Afghanistan. I say

awful—look at the movie “Osama,” and you'll know what I'm talking about. Let me put it to you this way: They were so bad that they would not allow many young girls to even go to school. They were so backwards, so barbaric that they literally enslaved people to an empty ideology. And so we said, “You're training Al Qaida. You're harboring Al Qaida. Give them up.” They said no, and they're no longer in power. And the world is better off for it. The United States of America is better off for it, and so are the people of Afghanistan.

I want you all to know that because we enforced doctrine, because we worked to make our own country more secure, we liberated people. People now have a chance to realize their dreams. Free societies are peaceful societies.

A cornerstone of my vision in foreign policy is the understanding of the power of freedom and what freedom can mean for people. I believe free societies are peaceful societies. I know that where people do not have hope, freedom can change that. And so we have freed the people of Afghanistan, and a peaceful society is beginning to emerge.

The other lesson on September the 11th that's very important to understand is that when we see a threat, we must not allow it to gather. In other words, when we see a threat, we've got to deal with it. In the past, if you didn't feel like you were a battlefield in the war on terror, you could see a threat and maybe hope that it would go away, but you were pretty certain it wouldn't affect you. 9/11 changed that. It's essential for the President of the United States to understand the realities we face, and the reality is that there's an enemy out there that is able to train and gather and equip and gets help from different places.

And so I looked at the intelligence after September the 11th and saw a threat in Iraq. And the United States Congress looked at the very same intelligence, and they came to the same conclusion I did,

that there was a threat in Iraq. I want to remember—I want to remind you of the history. The United Nations Security Council looked at the same intelligence, and they saw a threat. The Security Council saw the threat, and the members on the Security Council saw the threat. These are nations like France and Russia and other countries that looked at the same intelligence—Saddam’s a threat. And so the world said, “Disarm, or face serious consequences.” And of course, we said the same thing. If America says something, you better mean what you say.

The reason why I believe that the world reacted the way they did is because not only did they look at the intelligence, they remembered what Saddam Hussein was like. He attacked countries in his own neighborhood. He paid terrorists to go kill innocent Israelis. In other words, he was funding terrorist activity. Suiciders would receive money from him. He had terrorist connections. And by the way, we’re still seeing some of the people that were in Iraq, still moving in Iraq right now, a guy named Zarqawi—he used weapons of mass destruction against people in neighboring countries, and he used weapons of mass destruction against his own people.

So the world remembered the history. We remembered what he was like, and I remembered the lessons that we learned on September the 11th. We saw a threat. I had a choice to make. Either trust the decision of a madman, a tyrant, a torturer, a hater, or to protect America. And given that choice, I will protect America every time. [*Applause*] Thank you all.

Because we acted, torture chambers are closed. Because we acted, countries like Libya understood we meant business, and they voluntarily disarmed. Because we acted, there is a democracy beginning to grow in a part of the world that needs freedom and hope. Because we acted, this man’s weapons programs will never be. Because we acted, our country is more secure. Because we acted, the world is more free.

We’ve got hard work to do in Iraq now. It’s really hard work. And the reason it is, is because there are people who want to stop the advance of freedom. Freedom frightens terrorists. Freedom frightens people who believe that they can impose their will through acts that are unconscionable, through killing innocent people. That’s what you’re seeing.

You’re seeing a mixture of supporters of a young Shi’a named Sadr who is a—he’s promoting lawlessness. You’re seeing people that used to be loyal to Saddam Hussein who realized that there’s no hope for them unless there’s anarchy and the rule of law doesn’t prevail. And you’re seeing the influence of foreign fighters, like this guy Zarqawi. That’s what you’re seeing. You’re also seeing incredibly brave action by American troops as we stay on the offensive.

The enemy wants us to quit. That’s what they want. The Iraqi citizens who long for freedom are worried that we will. See, some people don’t want to take a risk for peace, if they think they do, and then they’re—and then they were punished if there’s not security. And the enemy is trying to shake our will. My job as your President is to stand strong. My job as your President is to be as—to show utmost determination in our belief that freedom will prevail. And it will prevail.

I believe that freedom is embedded in everybody’s soul. I believe people want to be free. I believe moms and dads want to raise their children in a peaceful environment. I believe moms and dads want their children to be educated and to be able to grow up and realize their dreams. I believe that is the aspirations of all people. I know freedom is not America’s gift to world; freedom is the Almighty God’s gift to each man and woman in this world. And I believe this strong and generous and compassionate nation must work to continue to spread freedom, not only for our own security but for the sake of others who have been enslaved by tyrants.

I've told the Iraqi people this, and I mean it: We will transfer sovereignty to the Iraqi people on June the 30th. Of course, I know I'm—American citizens hear, "Well, maybe the Iraqis don't want us to occupy them." Who wants to be occupied? Nobody wants to be occupied. People do want to be liberated. The Iraqis want us there to help with their security, but they want to run their own country. And I don't blame them. And so on June the 30th, we'll start the—we will transfer sovereignty and start a process that will allow them to have elections in January 2005.

The closer we come to sovereignty, the more the enemy will make us want to leave, and I know how hard it is. I know how hard it is for moms and dads who have got troops overseas. I know how hard it is for a mom or dad to lose a son. It's tough. And nobody in America—America suffers when one of us suffers, is the best way to put it. But I've told those mothers and dads when I've had the opportunity to see them, "We will finish what we have begun. Your son or daughter will not die in vain."

I see we've got some troops here. I want to thank you all for coming. I have the duty to make sure they get what they need. When we put somebody in harm's way, those of us in positions of responsibility have the duty to make sure they've got the best possible equipment. That's why I asked Congress to vote for an \$87 billion, what they call, supplemental. That just means \$87 billion available, 67 of which is available to the troops to make sure they have the best equipment.

I don't want to get too political here, but my opponent voted against it, and they asked him why. His answer was, "I voted for the 87 billion, right before I voted against it." Let me tell you something: This country doesn't need double talk; it needs plain talk; and it needs people to be able to support these troops.

I'll just say one other thing about our troops—a couple other things. I told our

commanders, "Tell me how many you need on the ground, and you'll get it." This war is going to be—the decisionmaking part about what the troops need in this war is going to be made by generals, not politicians. The people in the Army, the Marines, and the Air Force will be making the decisions. The President sets the strategy. The President sets the goals, and our commanders on the ground tell us what it takes to meet those goals.

The second thing I want to say about our military, I'm just as disgusted of those pictures you've seen on TV as you are. This isn't the America we know. Let me tell you something: Those few people have stained the honor of this country. They have put—they've helped paint a picture of the country that doesn't exist. The men and women we have sent into harm's way for our security and for freedom in the world are the finest of citizens in this country. *[Applause]* Thank you all. And I can't tell you how proud I am to be their Commander in Chief.

I want to say one other thing about this, these horrible pictures and what we've seen. In a free society, we will find out the truth, and everybody will see the truth. In a society that is a free society, there will be transparency in the process. People will testify. There will be fair trials, if there are trials. The truth will be known. In societies run by tyrants, you never see the truth. You never find out the truth. This country honors every individual. We believe in human rights and human dignity, and the example we will set for the world will confirm that.

Now, let me talk a little bit about how to make the country stronger. You make the country stronger by making sure the entrepreneurial spirit in this country is strong so that people can find work. The role of Government is to create an environment in which small businesses can grow to be big businesses, in which people can realize their dreams by starting their own business, so that people can find work.

That's the role of Government. That's what I want to talk a little bit about today.

First, I can't tell you how optimistic I am about our economy. In fact, we had a pretty good job increase today—just came out at 288,000 new jobs for the month of April has just been posted. We're growing. That's 1.1 million jobs since last August have been created. That's really incredibly good news.

When I find out people are looking for work, it troubles me. So my job is to work to make an environment such that people expand their businesses so people can work. That's what we want. We want people working. We want people realizing their dreams of being able to put food on the table for their families, and it's happening.

But let me remind you right quick what we have overcome. I think it will help make these numbers even more amazing to you. This country, in a very brief period of time, overcame the stock market decline, starting in March of 2000. If you're a saver, that affected your outlook in life. If you're a retired citizen that has stock that you're relying upon in your retirement, it affects your outlook.

Then we went to a recession. Starting in early 2001, we went through a recession. That means we're going backward. That means if you're a worker, you're wondering about whether or not you're going to keep your job. That means if you're a small-business owner, you're wondering whether it makes sense to make investment. It is a negative period.

And then, just as we were coming out of that recession, the enemy hit us. I've talked to you about what it means from a foreign policy perspective. It also meant we lost jobs and work. It affected our economy. It just did. Any time your country gets attacked as significantly as it was, it affected the economy. We overcame that.

Then we had another problem in our economy, one that shook the confidence of the American people, and that is we had some people forget to tell the truth.

There's some corporate CEOs who fudged the numbers and didn't tell the truth, and it affected us. We acted on that, by the way. I worked with both Republicans and Democrats in Congress to pass tough law—tough law. The message is real clear in America. If you're in a position of responsibility, you behave responsibly when it comes to shareholders and employees, or you'll be held to account. We're not going to tolerate dishonesty in the boardrooms of America.

Then of course, I've talked about my decision to go into Iraq. But remember, on your TV screens it said "March to War" during that period of time. That's something the economy had to overcome because when you read about marching to war, it is negative. People who are making capital decisions or decisions to expand take a look at that and say, "Gosh, I'm not sure I want to expand if we're marching to war." Now we're marching to peace.

Things have changed. Our economy is growing. It's strong, and it's getting stronger. Witness the numbers today. And what it really speaks to is the fact that the entrepreneurial spirit in this country is strong, that small businesses are vibrant and strong. Seventy percent of new jobs in America are created by small businesses. And if you've got your job base growing as fast as it is, it means somebody is growing the job base. We're going to talk to a couple of small-business owners here today.

I'd like to take a little credit for the progrowth that's happening today because of the tax cuts. See, I believe that when you give people more of their own money—and notice I said "more of their own money"—it's not the Government money we're passing back. It's the people's money we take in the first place. We're going to talk about the effect of tax cuts on some families here. But when you've got more money in your pocket, you're likely to demand an additional good or a service, and when you demand an additional good or a service in our marketplace-type

economy, somebody will produce it. And when somebody produces the good or a service, somebody is more likely to keep a job or find work. That's just the way it works.

The tax cuts were important economic policy. They also helped families because we've increased the child credit. We reduced the marriage penalty. My attitude about that is, why do you want to penalize marriage? You ought to encourage marriage and family. And we helped small businesses. But the tendency in politics is to focus on the now. My job is to focus on the future, to make sure that we're the most competitive place to do business in the world. In other words, it's a good place to do business so that the job base expands. So the question is: What do we need to do to make sure we're the leader in the world?

Let me tell you a couple ideas. I want to talk about one other thing, and then I'm going to talk to some of our citizens here.

First, I believe there needs to be certainty in the Tax Code. We should not raise the taxes on the American people right now, in order to keep this economy growing, and it's an issue in the campaign. I'm telling you, it's an issue. We've been counting the number of new promises the fellow I'm running against is making. He's up to \$1.9 trillion so far, of new promises. And we got a long way to go in the campaign. Pretty easy to stand up in front of people and say, "Well, I promise you this, and I'll spend that," and then it begins to mount up after a while. So the question is, how is he going to pay for it?

And the answer—his answer, of course, is taxing rich people, but the problem is there's not enough tax revenue to be generated to pay for \$1.9 trillion worth of new spending by taxing rich people. And so there's a tax gap, and I'll you how he's going to fill the tax gap. You get to fill the tax gap. In order to fulfill the promises, the only way he can do so is to tax the

hard-working people of America. The good news is, we're not going to let him do it.

Right quick, let me tell you how you have a vision—how you implement a vision to make sure people can find work. One, education matters a lot. We got to make sure our children learn to read and write and add and subtract early so that they're better able—this No Child Left Behind Act I've signed is good, really good. I'll tell you why: It raises the bar. We spent more money at the Federal level for Title I kids, and for the first time the Federal Government says, "Please show us whether or not the children can read and write and add and subtract." If they can't, we'll find out early and get the kids extra help. If they can, we'll praise the teachers for doing the work that we expect them to do. If the curriculum works, we'll find out. If it doesn't work, we'll find out.

We'll find out a lot through making sure that the facts are known as to whether or not children are learning. The way to make sure you challenge the soft bigotry of low expectations is to raise the bar and measure and correct problems early, before they're too late.

A second challenge for education is, is that technology races through our economy. It's one of the facts of the 21st century. There's new technologies happening all the time. Take the health care field. It's changing dramatically in a very rapid period of time. And there's a lot of communities looking for health care workers, but a lot of times, the worker doesn't have the skill necessary to fill the job. And so we've got to be really wise about how we use places like the community college system, to make sure that they match willing workers with people looking for work, with the skills necessary for the jobs for the 21st century. By reeducating people for the jobs which actually exist, we also increase the productivity level of the workforce. And a more productive workforce is a workforce that makes more money.

Let me give you an example. I've been to a lot of community colleges around the country because I believe so deeply in their value, and they're important. Again, the economy changes, and we're in a period of change now, and we better make sure the workforce has got the skills to change with it. And so I met a lady in Mesa Community College in Arizona, and she was telling me her story. She went back and got an associate's degree with a high-tech emphasis. And she had been a graphic design artist and, after 12 years, she was making X number of dollars, went back to the community college—and by the way, there's money available to help people. There's trade adjustment assistance. There's Pell grants. There's money, and that's good. The Federal Government wants to help retrain people. And she got retrained, and she made more money in her level entry job, having gotten an associate's degree, than she made after 12 years of being a graphic artist. In other words, going back to school makes the citizen more productive, and they make more money.

Secondly, there's a lot of talk about trade. When you're good at something, you want to promote it. And we're in farm country here. We're really good about growing things in America. We've got the best farmers in the world. We've got the most productive—and where we're from, we think we're pretty good about raising cows. [Laughter] But if you're good at it, you want to open up markets rather than close markets. Farm income is strong now. A lot of it has to do with the fact that we're selling more farm product overseas than ever before. Trade policy needs to be confident, not pessimistic, in the ability for Americans to compete.

Most Presidents have opened up our markets for other countries. That's good for consumers. If you've got more product from which to choose, you're likely to get a better price and better quality. In other words, the more choice you get, the more

that people will meet demand with better product at a price you can afford.

But the problem is, other countries haven't responded. And so rather than becoming economic isolationists, for the sake of long-term job growth, this country must say, "Treat us like we treat you." With a level playing field, we can compete with anybody, anyplace, anywhere. Good trade policy is necessary to make sure jobs exist not only in the short term, in the long term.

We need to make sure we do something about the cost of health care. I'm for health savings accounts, association health care plans, and medical liability reform at the Federal level so that health care costs make it—don't make it impossible for small businesses to continue to employ people.

Two other quick points, then one other point. [Laughter] Laura said, "Keep it short. The bus might leave." [Laughter] She's been hearing me give a lot of speeches for a long time, which means she's a pretty patient lady.

We need tort reform. If you're a businessowner, somebody expanding the job base of small business, a frivolous or junk lawsuit makes it awfully hard on you as a businessperson. Remember, jobs are created when businesses expand. And if people are afraid to risk capital, which is how you expand, because of a junk lawsuit, it makes it very hard. We need justice in America. But we've got to make sure the justice—the scales of justice are balanced and fair.

And finally, it is very important for us to have an energy policy in America. We've got to increase supply in this country. We have got to—we've got to utilize—of course, we want to work on the demand side by encouraging conservation. That's important. And we've got things in the bill that will encourage conservation. But you can't conserve your way to a lack of dependence on foreign sources of energy. You've also got to increase supply so that you don't have to rely upon foreign sources

of energy. And one of the things we've got in the energy bill is the continued expansion of the use of soybeans and corn to diversify the energy supply. It makes a lot of sense to do so.

I'm a supporter of biodiesel and ethanol because I understand the practicality of it. At some point in time, we're going to say, "Gosh, the yields on corn are real good, and now we're less dependent." We need clean coal technology. We've got a lot of coal. We need to expand clean coal technology. We need—in my judgment, we need to have a safe nuclear energy program in order to expand. We need to be drilling for natural gas in environmentally friendly ways. What I'm telling you is, in order to make sure that we're a good place to do business, so we can expand the job base, we need to become less reliant on foreign sources of energy.

The other strategy is to make America a better place. The Government can help, but Government is not love. Government is justice and law. Love comes from the hearts and souls of citizens. And that is—which is the true strength of the country, by the way. We talk about our military, and it's an important part of our strength, and we'll keep you strong. We talk about our wealth, and that's an important part of our strength, and we want to continue to expand our economy. The true strength of this country is the hearts and souls of the American citizens.

Let me tell you what I mean by that. That happens—the strength happens when somebody takes time out of their life to love somebody who hurts. In the land of plenty, there are people who are—who hurt. There are people who are addicted, people who are homeless, people who are hungry. And the best way to cure that aspect of our society's ills is to rally the armies of compassion. See, society can and does change one heart, one soul at a time.

I want to be your President for 4 more years, not only to keep the country safe and stronger but to continue to rally the

spirit of America, to call upon our fellow citizens to heed the universal call, the call of all religions, to love your neighbor just like you'd like to be loved yourself.

You know what I'm talking about. You know how societies can change. You've seen what happens in your communities when people take it upon themselves to help those who hurt, to build a home for the homeless through Habitat for Humanity, who take time out to instill values in Boy Scouts and Girl Scouts. You've seen what it's like when people say, "I'm going to be a coach in a Little League to help a kid learn a team sport and, at the same time, sportsmanship." You know what it means when you've seen church groups come together and say, "Let's go feed this family that hurts." You have seen what happens when the great compassion of this country wells up and starts saving lives. The strength of this country lies in the hearts and souls of our fellow citizens, which makes us such a fabulous nation.

I've asked some folks to come today. Paul Darley is a small-business owner, W.S. Darley. He is the president and chief operating officer.

Tell us what you do.

Paul Darley. Our company is a 96-year-old family business. We manufacture fire-fighting equipment, specifically firetrucks, fire pumps, that we distribute all over America and around the world.

The President. Based right here?

Mr. Darley. We're based in Chippewa Falls, Wisconsin. We just last year built a \$3.8 billion plant. And additionally, we bought equipment worth over \$1 million, which we were able to do as a result of the tax relief that took place over the last 2 years.

The President. One of the important parts of the tax relief that I hope people understand is this: Most small businesses, like this good man's business, pay tax at the individual income-tax level. A lot of citizens don't know that. But if you're a

Subchapter S corporation or a sole proprietorship, you pay tax at the individual income-tax level. So when you heard us talking about reducing individual income taxes, not only, obviously, did it affect citizens, it affects small businesses. And so when you hear people say, "We're going to tax the rich by running up some of those income taxes," they're taxing small businesses. It's important for people to understand that.

The other thing we did was we helped with what they call bonus depreciation. In other words, if you make an investment, you get to deduct more money. In other words, there was an incentive in the Tax Code.

So what did you do with the money? You built a—

Mr. Darley. We built a new \$3 million plant. We also built about a million dollars' worth of equipment. But additionally, we were able to take that money, through less—because we had less dividends to pay out because our tax burden was less, we were able to reinvest that money back into our business. We were able to create jobs. We were able to train our employees. We were able to compete in a global environment.

The President. Yes. See, when he builds something, like expands his plant—I think he needed to add employees?

Mr. Darley. We did.

The President. So when you hear—the reason I bring this up is when you hear that tax relief encourages investment—there's two aspects to investment—two effects of investment. First, when he buys equipment, new equipment, somebody has got to make it, right? If somebody makes it—some business makes it, some laborer who is making the product for the business is more likely to keep a job, or if the demand is greater, they'll add jobs to make the new equipment, orders for new equipment.

Secondly, when he says he's invested in his company because of the tax incentives,

he's got to have people to work that additional plant and equipment. So when you hear "investment equals jobs," that's how it works. He makes a decision. Somebody produces the product for him, and as he expands his business, he hires new people.

Is that what happened? So how many people did you hire last year?

Mr. Darley. I think 24 in the last 2 years and then, additionally, 9 since the beginning of January this year, and we plan to hire 14 or 15 more in the next 7 months.

The President. That's good news. It's good news if you're somebody—thank you, Paul.

There's a lot of small businesses like Paul's, a lot of companies. See, the entrepreneurial spirit is strong. You heard him say, "I'm thinking about hiring 14 more." There's a lot of people out there feeling the same way now. That's really encouraging.

And so the key is whether or not the the workforce is trained to be able to do the jobs he's looking for. You heard him say, "I took some of the savings so that we could train workers." There's all kinds of ways workers get trained. I mentioned the community college, but a lot of times, businesses train their own workers too. And tax relief has helped make his workforce more productive.

I want to thank you for hanging in there. Thanks for expanding your business.

Jim Hutchison is with us as well. Jim is the owner—when did you start your business, and what does it do?

Jim Hutchison. 1994. And first of all, thank you for coming to Prairie du Chien, Mr. President.

The President. Well, I'm glad to be here.

Mr. Hutchison. We started in 1994.

The President. Thanks for the excuse of getting out of Washington. [Laughter]

Mr. Hutchison. And it's a nice drive for you too.

The President. It's beautiful. It really is—a little different from Midland, Texas—

[laughter]—which is flat and in the desert. Go ahead.

[Mr. Hutchison, owner, Prairie Industries, made brief remarks.]

The President. Did you start this?

Mr. Hutchison. I started it in 1994. We started with seven people.

The President. How did you think of it?

Mr. Hutchison. Well, I heard some people from the 3M company were shipping a lot of work out of the area. They didn't have anyone to package for them. And I was able to get an interview with them. I thought it would last 15 minutes. It lasted 4 hours. And 300 people later, here we are.

The President. That's in 10 years. Good. I don't want to hog the spotlight, but the entrepreneurial spirit—you just heard it. He just defined what that means. The guy had a dream. He said, "I can do something better than that which was being done. Give me a chance to compete." And the key is for policy to encourage those dreams to go on, for people to say, "Look, with a good idea and hard work, I can achieve a dream."

Go ahead.

[Mr. Hutchison made further remarks.]

The President. Sixty employees this year—see, it's happening. Here's an optimistic guy. He stands in front of the President and the cameras and people and says, "Look, I'm optimistic. I'm growing my business. I want to compete, and I'm investing so I can become more productive." That's how the economy works. Good tax policy encourages this.

By the way, if the Congress doesn't act on some of this tax policy, the taxes go up. And to me, if the taxes start going up at this point, it changes the attitude of those who are risking capital. So I've told you we don't need to be raising taxes right now. I'm trying to put a face as to why we don't need to. See, it's one thing for me to stand up there and say it. They'll

say, "Sure, he's running for office." But the reason—I have a reason to say it, and these small-business owners helped me make the case.

Thank you both for coming. I'm proud of your entrepreneurial spirit. Good job, real good.

Christine and Mark Seeley are with us. I'm proud you all are here. They're a family of—they got three kids. And the reason I've asked them to come, along with the Hendrickses, is so that people can hear what tax relief has meant to their life. Again, it's easy for us to spew numbers in Washington, but tax relief affects people in such positive ways that it's important for people who don't agree with the tax relief or are willing to take—raise the taxes on people to understand the consequences. And that's why they're here.

First of all, what do you do?

Mark Seeley. I'm an athletic trainer with Prairie du Chien Memorial Hospital right here in town.

The President. Good. My knee hurts. [Laughter]

Mr. Seeley. See me afterwards. [Laughter]

The President. Yes.

Mr. Seeley. And Christine is a stay-at-home mom.

The President. That's good. Congratulations.

Christine Seeley. Thank you.

The President. Because we raised the child credit, expanded the 10-percent—reduced—created a 10-percent bracket, and relieved the marriage penalty, this couple saved 2,200?—\$2,200 in '03 and in '04. That may not seem like a lot to people who are throwing around a lot of zeros in Washington, but I bet—well, I'll let them tell you if it means anything to them. I'm like—I'm not a lawyer, you'll be happy to hear, but I realize I'm leading the witness. [Laughter] Tell us about the money.

Mr. Seeley. Well, what we were able to do with that refund is basically invest it right back into our house. We were having

a couple issues with some leaky roofs, so we hired a couple—

The President. Right. Pretty hard to raise a family with a leaky roof.

Mr. Seeley. That's right. You have to keep the roof over their heads, so we hired a couple of contractors to come in and repair our roof. And that's where that money went.

The President. Good. Somebody had to come over. In other words, you got the relief, and you said, "We better get on the phone and call Joe's Roofing Company." Is that who it was? [*Laughter*]

Mr. Seeley. Randy Jones Construction.

The President. Randy. All right, here's Jones' chance. Did you do a good job? Did he do a good job?

Mrs. Seeley. Oh, fabulous.

Mr. Seeley. Yes, he did a great job.

The President. Great job. Good. I don't know where Jones is. If he's listening, he just got a plug for business. Anyway, he came over. I presume he didn't do it by himself.

Mr. Seeley. No, he had actually two other crew members, and then we had another company that put on some rubber roofing in back of the house. And I think they employed—had four guys with them.

The President. Yes. Let me tell you what happens if Congress doesn't act. These folks pay a \$1,000 tax increase, see? That's the debate in Washington. You're hearing this debate about whether to make the tax relief permanent. That's not the way to look at it. The way to look at it is, if Congress doesn't act, instead of \$2,200, they're going to be \$1,000 less than that. It's like a tax increase. That's \$1,000 less money in their pocket. I like to remind people that this economy is cranking and beginning to grow because the people have spent their money far better than the Government would have.

Now that you've got the floor, you can say anything you want. [*Laughter*] Thanks for coming.

Mr. Seeley. Thank you.

The President. Glad you're here. I appreciate you taking time out of your life. Where are the little ones? Are they here?

Mr. Seeley. They couldn't make it.

The President. They're at home?

Mrs. Seeley. Yes.

The President. Too little.

Mrs. Seeley. Yes.

The President. Afraid the President would speak too long. [*Laughter*] I understand.

Tina and Mike Hendrickson are with us as well. Oh, there they are. Good. Thank you all for coming. They are—what do you do, Michael?

Michael Hendrickson. I work for the highway county department.

The President. Good. So when I said, "Fill the potholes," you knew what I'm talking about. [*Laughter*]

Mr. Hendrickson. That's right.

The President. I wasn't speaking to you. I was speaking to the decisionmaker. Maybe you are the decisionmaker?

Mr. Hendrickson. No, I get told to go fill the potholes. [*Laughter*]

The President. That's right. And Tina is a worker.

Tina Hendrickson. Yes, I work at Prairie Industries. I'm a warehouse manager.

The President. Thank you. Great. Thanks for coming. I'm proud you're both here. They've got two young children. So when we increased the child credit to \$1,000, it affected them. And they're married, and so we've reduced the marriage penalty—it affected them, and so did the expansion of the 10-percent bracket, all of which will go away next year unless Congress acts.

The tax savings were?

Mr. Hendrickson. I forget—\$3,000, something like that.

The President. Less.

Mrs. Hendrickson. 1,900.

The President. 1,900—well, 1,900 here, 3,000 there. [*Laughter*] And so what—how does it affect you? What do you do? When you get a \$1,900 check, less taxes, how does it affect your thinking?

Mrs. Hendrickson. A lot. Well, we've been able to start saving for college for the kids.

The President. Good.

Mrs. Hendrickson. That's a plus.

The President. Doing their duty as a mom or a dad, taking that extra money, it makes it easier for them to fulfill their obligations. And I appreciate that.

What else?

Mrs. Hendrickson. We went to St. Louis in April—short vacation.

The President. Good. And I presume—you stayed in a motel, or what?

Mrs. Hendrickson. Yes.

The President. Yes. So the clerk at the motel was able to keep a job, because if the motel was empty, there wouldn't be a need to have a clerk.

Yes, thank you all for coming. I'm glad you're here.

The reason why—this tax relief affected people. It increases their confidence about the future. It enables them to better raise their families. These people are working hard to raise their two sons. They're thinking about, "How can we put money aside for college," which is a vital part of the duty of being a parent, isn't it? And you want your children to be able to realize their dreams, and college is an important part of it. The tax relief matters, and Congress does not need to be raising the taxes on these people.

The reason I've asked them to come, both small business and individuals to come is, I hope it helps you better understand the progrowth package, how it works, and the philosophy behind the decisions we made.

I think I've got a little time to answer some questions. This is called "Ask George Bush," so you might as well start asking so at least we fulfill the promise of the program's name. But I'll be glad to answer. Ask some questions.

Yes, what have you got? This is a written question. [Laughter] This isn't exactly off the top of your head, is it? [Laughter]

Q. I was afraid I couldn't read my own writing, so I did go ahead and type it. [Laughter]

The President. Are you a doctor?

Freedom of Speech and Religious Freedom

Q. No, I'm not. [Laughter] Mr. President, as a member of the local clergy of this city, I'm appalled at the different lengths of political correctness that has affected religious rights in Canada, Australia, France, and other European nations. Laws are being passed to limit offensive speech. If reelected, what will your administration do to the rights—to help the rights of conservative Christians so that courts in America can't limit our free speech when it comes to offensive speech toward different groups?

The President. Yes. Look, here's the thing. Freedom to speak is a valuable part of our country, and a President has got to protect that. People ought to be allowed to speak the way you want to speak, but there are limits. And it is very important for our society to work with those that push the limits without abridging anybody else's freedom to speak.

Let me talk about freedom of religion as well, which is an incredibly important part of our society. My job as the President is to make sure—this may get to your question, by the way, besides speech—an incredibly important part about what you're asking is, can people worship freely as well? Yes. That's the part of the job of the President, is to make sure that people can worship any way they want—any way they want. And they can choose any religion they want, or they can choose no religion. You see, you're just as big a patriot—as good a patriot as the next fellow if you choose not to worship. It's your choice to make. And the freedom of this country is that you can choose to do any way you want. And it's important that we keep that freedom real and intact.

I happen to believe that it would be very difficult to be the President without believing. I believe that—I know it's been an important part of my Presidency. And I appreciate the fact—but what I'm answering to you is, is that we've got to be very careful about tampering with freedoms in America, the freedom to speak or the freedom to worship. It is the thing that sets us apart from other parts of the world, that people can come to this country and express themselves the way they see fit.

Obviously, there's a line to cross when it comes to speech. That's been a difficult challenge for our country, to figure out where it is and where it isn't. You know, sometimes on TV, there are things you don't want to see. But that's why you put an off-on button on there. You just kind of turn it off. You don't have to watch it. You can also pay attention—and there are other things we can do to make it easier for parents to make sure their children aren't watching garbage. And there are things you can do on the Internet to make sure that garbage doesn't get in your living room. But it's very important that we remain a country of free speech and free religion.

Anybody else got something? Yes, ma'am.

Steel Industry/International Economy

Q. Hi. I'm from LaCrosse. My name is Karen Heffner. My husband and I own a small steel fabricating business.

The President. Oh, good.

Q. I know. You'd like that one, right? [Laughter]

The President. Well, first of all, I'm glad you own a business. How long have you owned it?

Q. Since '92.

The President. Good.

Q. And we have been growing steadily too. We started with about six employees—but a couple of setbacks along the way. I just want to know—my question is, with the steel market so volatile, what can we

do to help stabilize that and all the construction trade?

The President. Yes. She is referring to the fact that the price of steel, which was very low at one point, is now higher. And the reason why is, is because the world's economies are beginning to grow. For a period of time, the world was in recession. We were recession—in recession, and other countries were. And all of a sudden, the world is beginning to come out of its recession. There's a cyclicity to economies, and the cycle is now coming on an upswing.

In a country like China, it's really booming, and they're absorbing a lot of the supply of steel in the world, which is, in fact—I believe you're referring to the price of steel getting higher, which is making it more difficult for you to work. I believe that the higher price of steel will serve as an incentive for people to produce more steel, and that—it's a price-driven industry, as you know, and that as people produce more steel, it should take—relieve the pressure.

It's just like what's happening in the energy markets today. For a while, there was excess supply because the world's demand was depressed. And now the world is growing, very much like the steel prices. And by the way, I'm sure the energy prices affects your business too, I would think, which is high and hard to deal with, I fully recognize. We're seeing it at the gasoline pumps as well, and that's not positive for American consumers and American people.

It has to do with the fact that the demand is increasing relative to supply and that when you get these countries beginning to grow and they're not very fuel-efficient to begin with, like China, they're taking a lot of world oil off the market in order for their economy to grow, and it's affecting our prices.

That's why we need an energy bill. That's why we need to be diversified. I believe there will be an increase in fuel supply in response to price, which would make it—which would then begin to ease off.

About 3 years ago, if I'm not mistaken, the price of your product was significantly different than it is today. And I guess what I'm telling you is you're going through a rough cycle. But I don't think the Government policy can say, "Okay, fine"—you know, make people go out and produce more product to relieve the price. I think the market is going to have to adjust to do that.

And I also suspect you're a little nervous about reliability of electricity. I hear from small manufacturers all the time, and a part of the energy bill that's stuck in the Congress, by the way—I've been trying to get it moving for the good of the country. It's stuck. Part of it is to make sure that our electricity systems are modern, that the electricity systems have got maximum reliability standards from these sellers of electricity as well as modern ways to attract capital to expand the electricity systems and modernize them.

That was a very good question on steel. Commodity prices go up and down, and the thing that our country must not do, as I mentioned to you, in response to economic conditions, is wall ourselves off from the rest of the world. I think it would be a terrible mistake to become isolated from the rest of the world. Economic isolationism is pessimistic, and it does not lead to a hopeful future. Again, I'm going to repeat what I said about not becoming isolated from the rest of the world. If you're good at something, and we're very good at things, with a level playing field we can compete. And as we compete, people are more likely to find a job.

Anybody got anything? Yes, ma'am.

Education

Q. I'm an eighth grade teacher and—
The President. First, thanks for teaching.

Q. You're welcome. Typically, when I'm discussing education policy and, specifically, funding with my colleagues, I'm pretty much in the minority with a conservative

view. What can I tell my colleagues that the Bush administration is pro-education?

The President. Sure. You can tell them we've increased Title I—elementary and secondary education spending since I've been in office, from 2001 to today, by over 47 percent. That's a healthy increase in spending. On the other hand, I believe that spending—the Federal Government ought not to try to run the schools. I believe the best spending decisions are made by State and local people.

I believe the ratio between the Federal Government and the State and local people is a good ratio, something about 94 to 6 or 93 to 7 percent—7 percent coming from the Federal Government. We're more than happy to encourage spending. I just want to make sure that the spending works.

And so you can tell the folks that our approach has changed, literally changed how people—what people—not what people can do with the money but what they must achieve with the money. You notice I used the word "achieve." In other words, we expect results. If you don't measure, if you don't get—if you don't ask for results, it is likely you won't get results or at least you won't know. How do you know—tell your friends, how can you possibly know whether or not a child can read unless you're willing to measure?

Secondly, tell your friends that when we find—in the No Child Left Behind Act, early on when we discover that a child doesn't have the tools necessary to read, he or she gets extra help. Third, that if a school perpetually fails, parents get different options in order to make sure that people respond to the moms and dads and to the needs of the children.

We've got a really good record on public education. And the No Child Left Behind Act is a strong piece of legislation which I believe will make the public school systems work better, not worse.

What else? Yes, sir.

Support for the President

Q. I don't have a question, sir. I just wanted to thank you. I served in the United States Air Force for 10 years. I just love the love that you have for our troops and admiration you have for our troops, and I salute you.

The President. Thank you, sir.

Q. —and the First Lady as well.

The President. Thank you. I appreciate that. Thanks for saying that.

I'm a fellow who knows a good exit line. [*Laughter*] We're getting on the bus and heading up the road. I want to thank you all for coming. I hope you've enjoyed this as much as I have. I'm glad to get out of the Nation's Capital and come and be with you all. I've really enjoyed our dialog and our discussion. I hope you can tell I have a reason why I want to be your President for 4 more years. I hope you can tell I'm counting on you to go to your neighbors and let them know I have a rea-

son. And I hope you can tell I'm incredibly optimistic and hopeful about the future of this country, because I understand the strength of this country is the people who live in America.

May God bless you all, and may God continue to bless our country. Thanks for coming.

NOTE: The President spoke at approximately 1:40 p.m. at Cabela's Distribution Center. In his remarks, he referred to Richard N. Cabela, chairman and director, Cabela's Inc., and his wife, Mary; Wisconsin State Representatives Stephen J. Freese and Gabe Loeffelholz; Mayor Jerry Wehrle of Lancaster, WI; former President Saddam Hussein of Iraq; senior Al Qaida associate Abu Musab Al Zarqawi; and Muqtada Al Sadr, Iraqi Shiite cleric whose militia engaged in an uprising in Iraq in early April. The transcript released by the Office of the Press Secretary also included the remarks of the First Lady, who introduced the President.

Remarks in LaCrosse, Wisconsin
May 7, 2004

The President. Thank you all very much. Thanks for coming. It's a great turnout. Laura and I are so honored so many came out to say hello here in the great State of Wisconsin. I'm glad to be back in LaCrosse. What a fine city, full of fine, fine people.

Listen, traveling your State on the bus is a fantastic experience, particularly for two people who grew up in the desert. [*Laughter*] As Laura said, people lined the road and were really friendly. We had a stop at the Kuhle family farm. That's between Hazel Green and Cuba City. It gave us a chance to shake hands with some hard-working people just like you all. A guy asked me if I wanted to milk his cows. I said, "I think we better get back on the

bus." [*Laughter*] Had a little Culver's ice cream on the way here too, I want you to know.

I came here to ask for your vote. I came here to tell you I've got a reason to be President for 4 more years. I want this country to be safer and stronger and better, and working together, we can make it that way.

I also came here to ask for your help. I want you to feel so inspired to put up the signs and knock on your neighbors' doors and go to community centers and your houses of worship and encourage people to vote. Tell them to go to the polls, and tell them when you're—when you're telling them how to vote or suggesting to them how to vote—[*laughter*]—remind